

Student 6: High Not Achieved

NZQA Intended for teacher use only

XXX College is an independent co-ed secondary school which has over 650 students including approximately 50 international students. It is in AAA and has both boarding and day students. The college operates from a mixture of income sources such as government funding, school fees, fundraising events in the school community and donations. I recently interviewed the Human Resources manager at XXX College, Ms ABC. The current human resource issue for XXX College is contracting out the role of the cleaners. Restructuring the role of the cleaners at XXX College requires sensitivity and excellent leadership skills to guarantee the successful transition and change management.

XXX College wants to reduce expenses to allow them to spend more money in other areas and departments of the college. Like any other business in today's economy it is vital to cut costs and operate with low expenses to make maximum profits. This is one of the main reasons that XXX College has made the difficult decision to outsource its cleaning. Although she didn't want to discuss financial details, Ms ABC said that outsourcing cleaners would save enough to allow the College to refurbish some classrooms.

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Most of the current 20 permanent and casual cleaners have worked for XXX College for many years and have developed a strong team culture. Ms ABC said that most of the cleaners were "devastated" by the restructure and it had also had a big emotional impact on her. Ms ABC explained the business structure of the current cleaners at the College: they are on permanent contracts and, since 2016 have been paid the living wage. They are guaranteed a certain number of hours each week, even if they work less. For example, one cleaner might clean the performing arts centre and the administration block and get the work done to the supervisor's satisfaction in three hours per shift, even though they are paid for four hours. Another cleaner who works in the boarding house might be paid for a four-hour shift and it might take her all that time.

The Board of XXX College has decided to contract out the cleaners' roles to an organisation called Professional Cleaning [not its real name] from February because in the long-term it is going to be more cost effective for the College. Managing a change like this can be very difficult especially when the cleaners have been part of the establishment for a long time. Professional Cleaning has agreed to contract all the current cleaners who want work and will "try" to give them work at XXX College but they will be paid the minimum wage and their hours might be reduced.

The principal and business manager of the College know that outsourcing cleaning will have a big impact on other teaching and non-teaching staff, but especially on the cleaners themselves. The cleaners will face a competitive environment because Professional Cleaning already employs over a hundred casual cleaners and lots of them might want to start cleaning at XXX College because it is close to home. The existing cleaners will have to be motivated to work harder and faster but might not earn what they are earning now. There will be an impact on other members of staff, including administration staff and the matrons. The matrons in the boarding houses will have to get to know the new cleaners and work alongside them to show them what needs to be done. Teaching staff who remain at school after the teaching day working in their offices or with students on co-curricular activities will need to form new relationships with cleaners who will not necessarily have a knowledge of how the College runs. There will need to be a transition period. Ms ABC said that she is working on a change management plan that will be developed in consultation with the staff and Professional Cleaning.

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Further information about the impact outsourcing cleaning may have on College stakeholders such as students, staff and venue hirers has been omitted from this exemplar.

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Solutions

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1 The first solution that I would put forward is that XXX College should not send the cleaners to negotiate their own job contracts with the outsourced business, Professional Cleaning. Rather, the College's HR manager should offer them support and advice when entering negotiations. This means providing them with moral support as well as legal advice. XXX College should also get involved with the negotiations to ensure the cleaners are treated fairly during the negotiation process. XXX College could help support the cleaners to get a guaranteed number of hours each week and a wage that is more than the minimum wage of \$16.75 per hour. This will ensure the cleaners will continue to work at XXX College under the new management of Professional Cleaning. Supporting the cleaners through this process will benefit them, XXX College and the XXX College wider community. XXX College will be seen to be supporting the cleaners and helping them find new employment even though they are outsourcing the cleaning roles. By offering moral support and her HR specialist knowledge and experience, the manager can help to empower the cleaners and let them know that the College still cares for their welfare.

2 Another solution XXX College could offer is a training course for the cleaners. This would give the cleaners confidence, develop their skills, and help increase opportunities in the wider workforce. The training could happen by sending the cleaners to an off-site course during paid working time, or a trainer could be brought into the school. It would be optional for the cleaners to attend. They might be able to get unit standard credits for the course. Providing the cleaners with extra training will help improve their skills and provide them with more qualifications and this could help in negotiations for increased salary with Professional Cleaning. The extra training could give the cleaners more confidence at a time when they are feeling uncertain about their jobs.

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3 Apart from a few cleaners who are on casual contracts, most are on permanent contracts, so the College is making them redundant. A formal process had to be followed for this. There was consultation with the cleaners and the College provided documentation to show why the decision was made. The cleaners made redundant have been given lots of notice and will be paid redundancy pay and they will be given written references. As a goodwill gesture the College could offer some other benefits like helping to prepare CVs which the cleaners could use for Professional Cleaning or for other employment. The College could also invite the cleaners to a farewell function.

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Justified Recommendation

I think XXX College should use solutions 2 and 3.

Even if the HR manager tries to negotiate with Professional Cleaning on behalf of the cleaners, in the end that business can make their own decisions about who to employ and how much to pay per hour. They have lots of cleaners who want and need work so probably wouldn't be interested in employing the College's ex-cleaners for more than the minimum wage.

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Solution 2 will cost the College for training, but this is a way of showing the cleaners their work has been valued and it could benefit XXX if they do continue to clean there as the cleaners would be trained in safe, hygienic, and up-to-date cleaning practices. The one-off cost of this training would be covered by the long-term saving from outsourcing the cleaning to the contractor.

Solution 3 is really a goodwill gesture that is good for employment relations. The College might receive negative publicity over making 20 local employees redundant, but they will be able to feel proud that the employees have been respected and treated well.